

Message Text

LIMITED OFFICIAL USE

PAGE 01 MONROV 02255 021228 Z

50

ACTION EB-11

INFO OCT-01 AF-05 ADP-00 RSR-01 RSC-01 INT-01 L-03 /023 W
----- 084581

R 021154 Z MAY 73

FM AMEMBASSY MONROVIA

TO SECSTATE WASHDC 7957

INFO USDOC WASHDC

LIMITED OFFICIAL USE MONROVIA 2255

E. O. 11652: N/ A

TAGS: EMIN, LI

SUBJECT: GLOBEX ANNOUNCES DIAMOND START- UP

REF: MONROVIA 2067

1. GLOBEX OFFICIALS CALLED ON AMBASSADOR APRIL 27 TO ACQUAINT HIM WITH CORPORATION' S BACKGROUND AND INTENTIONS.

THOSE WHO CALLED WERE MERRETT K. RUDDOCK, CHAIRMAN OF THE BOARD OF GLOBEX MINERALS LIBERIA, HIS BROTHER WILLIAM RUDDOCK AND PRESIDENT OF GLOBEX LIBERIA JOHN F. A. NISCO, A CANADIAN NATIONAL.

2. THE IMMEDIATELY FOLLOWING INFORMATION, WHICH THE GLOBEX OFFICIALS RELATED TO THE AMBASSADOR, WAS ALSO CARRIED IN THE MAY 1 LIBERIAN STAR. GLOBEX RECEIVED ITS CONCESSION IN LATE DECEMBER FROM THE GOL TO MINE DIAMONDS FOR A PERIOD OF 28 YEARS IN AN AREA OF 16,400 ACRES LOCATED IN LOFA AND GRAND CAPE MOUNT COUNTIES. AUTHORIZED CAPITAL OF THE VENTURE IS \$500,000. THUS FAR, AN INVESTMENT OF \$250,000 HAS BEEN MADE. GOL WILL RECEIVE 50 PER CENT OF THE CORPORATION' S NET PROFITS. TWENTY- FIVE PER CENT OF THE AUTHORIZED SHARE CAPITAL OF GLOBEX LIBERIA WILL BE OFFERED TO LIBERIANS FOR A PERIOD OF THREE YEARS. MORE THAN 200 LIBERIANS WILL BE EMPLOYED IN THIS PROJECT. A DAM HAS BEEN BUILT ACROSS PART OF THE LOFA RIVER AND
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 MONROV 02255 021228 Z

GRAVEL FROM THE RIVER BOTTOM IS BEING COLLECTED AND STOCKPILED FOR LATER SORTING. MERRETT RUDDOCK EMPHASIZED THAT GLOBEX IS PRIMARILY INTERESTED IN INDUSTRIAL DIAMONDS AND ALSO INTENDS TO GET INTO THE BUYING BUSINESS HERE.

3. A GOOD DEAL OF THE DISCUSSION CONCERNED RICHARD STERN' S ALLEGATIONS THAT GLOBEX ILLEGALLY TOOK OVER THE CONCESSION FOR THE SAME AREA THAT HE HAD EARLIER RECEIVED FROM THE LIBERIAN GOVERNMENT. RUDDOCK AND HIS ASSOCIATES DENIED THESE ALLEGATIONS AND SAID THAT GLOBEX WAS PREPARED TO LITIGATE IF STERN PRESSED HIS CLAIMS. FURTHER DETAILS OF THE CONVERSATION ARE BEING REPORTED BY OTHER MEANS.

4. COMMENT: THE GLOBEX PEOPLE CAME ACROSS AS REPUTABLE, RELATIVELY CONSERVATIVE BUSINESSMEN. MERRETT RUDDOCK SAID THAT GLOBEX LIBERIA WAS ONLY ONE OF A NUMBER OF VENTURES HE AND HIS BROTHER WILLIAM HAD BEEN INVOLVED IN SINCE RUDDOCK' S RESIGNATION FROM THE FOREIGN SERVICE (LONDON) IN 1952. HAD THE EMBASSY RECEIVED A RESPONSE TO REFTEL BEFORE THE CALL REPORTED ABOVE, WE MIGHT HAVE BEEN ABLE TO MAKE A BETTER JUDGMENT ON RUDDOCK' S PRESENTATION AND BONA FIDES. THE EMBASSY WOULD STILL APPRECIATE A RESPONSE TO REFTEL SINCE IT APPEARS CERTAIN THAT, BARRING SUCCESS ON STERN' S PART, GLOBEX WILL BE INVOLVED IN LIBERIA FOR A NUMBER OF YEARS. IT IS, FOR EXAMPLE, ALSO INTERESTED IN INVESTIGATING THE EXTENT OF DEPOSITS OF OTHER PRECIOUS AND SEMI- PRECIOUS MINERALS. IT MAY BE OF SOME ASSISTANCE TO THE DEPARTMENT OF COMMERCE IN ASSESSING GLOBEX TO LEARN THAT RUDDOCK SAID THAT HIS PRINCIPAL AMERICAN BANKERS WERE THE BANK OF AMERICA IN SAN FRANCISCO.

MANFULL

LIMITED OFFICIAL USE
NMAFVVZCZ

*** Current Handling Restrictions *** n/a

*** Current Classification *** LIMITED OFFICIAL USE

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Draft Date: 02 MAY 1973
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: golinofr
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1973MONROV02255
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: n/a
Errors: n/a
Film Number: n/a
From: MONROVIA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1973/newtext/t19730533/aaaahild.tel
Line Count: 96
Locator: TEXT ON-LINE
Office: ACTION EB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators:
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 73 MONROVIA 2067
Review Action: RELEASED, APPROVED
Review Authority: golinofr
Review Comment: n/a
Review Content Flags:
Review Date: 10 JAN 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <10-Jan-2002 by willialc>; APPROVED <30-Jan-2002 by golinofr>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: <DBA CORRECTED> mcm 971113
Subject: GLOBEX ANNOUNCES DIAMOND START- UP
TAGS: EMIN, LI
To: EB
SECSTATE WASHDC
WASHDC
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005